

## NH Prescription Drug Affordability Board

### In-person / Remote Hybrid Meeting

October 26 2021, 1:00 PM

**NOTE:** This meeting was recorded and a recording of the entire meeting is available at:

<https://www.dhhs.nh.gov/ombp/medicaid/nhpdab/previous-meetings.htm>

**CALL TO ORDER:** Representative Gary Merchant, Chair, opened the meeting at 1:06 P.M.

**ATTENDING:** Representative Gary Merchant, Representative William Marsh, Senator Tom Sherman, Todd Fahey. Via Zoom Representative James Murphy, Staci Hermann.

A quorum was established.

**ABSENT:** Senator Cindy Rosenwald, Senator Sharon Carson.

**INTRODUCTIONS:** Representative Gary Merchant introduced everyone and appointed alternate Representative Marsh as voting member for this meeting.

**AGENDA REVIEW:** Representative Gary Merchant reviewed the agenda with the Board. Senator Sherman asked to add to the agenda, a discussion around legislation to make the alternates more mobile; Representative Merchant agreed.

**REVIEW AND APPROVE AUGUST MINUTES:** Motion to accept minutes of the October meeting made by Senator Sherman; Todd Fahey seconded. Motion passed.

**UPDATE ON RULES:** Todd Fahey discussed the progress of the rules; noting that he and Attorney Robert Berry, DHHS, plan to have a substantive update by the next meeting or two.

**DISCUSSION ON COLLECTING ASSESSMENT FEES AND FUNDING THE EXECUTIVE DIRECTOR POSITION:** DHHS Chief Financial Officer, Kerrin Rounds, told the Board that they are going to present an item to the Fiscal Committee to add an accounting unit for the Board and add fee funds for entities that are allowed under the statute. It will most likely be on the December agenda. The Executive Director position is being finalized in Administrative Services, and should line up with the funds being allowed to pay for that. Next task is to work with Accounts Receivable, on who can be billed. Will make sure the Board reviews them before it is moved forward.

Representative Merchant discussed the Board of Pharmacy application for Manufacturer, Wholesaler, Distributor, Broker that he downloaded from the Board of Pharmacy website. Office of Professional Licensure's Director, Lindsey Courtney, J.D. forwarded Representative Merchant a spreadsheet of all of the entities that have this permit attached to them. Whether or not each type identified in the application was eligible for an assessment fee, based upon the statute, was discussed. It was noted that only the Manufacturers report to the Board. Senator Sherman brought up the idea of an appeals process, with which the Board discussed the details of. Todd Fahey mentioned he and Rob Berry had previously discussed this and noted it this would be addressed in the rules. Senator Sherman and Representative Merchant agreed that they would reach out to Lindsey Courtney to get a break down of the number of different entities. Staci Hermann discussed the idea of fee assessment being relative to either the registered entity with the pharmacy vs. the parent company, and their respective revenue streams. Kerrin Rounds suggested that they run the idea of a sliding scale for the fee schedule be run by the attorney General's office, as she is not sure if the assessment fee would be considered taxation. If it is, the NH

constitution prevents you from taxing at different rates. Representative Merchant summarized the discussion by stating that the next steps involve working on an appeals process and getting a breakdown on the nature of the business based upon the permits and how they are being utilized. Many points were discussed on how to shore up revenue, and their validity within the law.

**UPDATE ON LEGISLATION:** Representative Murphy briefly discussed the LSR, and named its co-sponsors; when they can alter the wording to include the assessment fees. Board discussed needing an update on whether Senator Carson had filed the one for Conflict of Interest.

**ANNUAL REPORT:** Representative Merchant reviewed his draft of the report with the Board. Todd Fahey asked that we may want to include the expectation of a revenue stream. Motion to adopt the annual report as proposed made by Todd Fahey, seconded by Senator Sherman. Motion passed.

**SCHEDULE MEETINGS FOR COMING MONTHS:** Board agreed that they will meet the 4<sup>th</sup> Monday of each month, from 10:00-12:00, starting in January. Upcoming meetings include Tuesday, November 30, January 24, March 28 and May 23. No meeting in December.

**RECESS INTO NON-MEETING MEETING WITH AG OFFICE**

Brief discussion about the requirement for manufacturers to submit data to the Board, and the letter that will be sent to them reminding them of this requirement and related details.

**ADJOURNMENT:** Motion to adjourn made by Todd Fahey; motion seconded by Senator Tom Sherman. Motion passed with Representative Gary Merchant, Senator Tom Sherman, Todd Fahey, Representative William Marsh, Staci Hermann and Representative James Murphy all in favor.

Respectfully submitted:

Todd C. Fahey, Clerk

Nancy T. Plourde, Recording Secretary